



April 12, 2021

The Honorable Marvin Abney
Chair, House Committee on Finance
Rhode Island State House
Providence, RI 02903

Re: Support for Budget Article 16 – Section 6

Dear Chairman Abney and Members of the House Committee on Finance:

South County Habitat for Humanity is a member of HomesRI, a statewide multisector effort to increase the supply of affordable homes. South County Habitat believes everyone should have access to a safe and affordable place to call home. Over the past 20 years South County Habitat has served over 110 families in Washington County through new construction, renovation of existing homes and by modifying houses of those 65 and older so they can safely age at home. Habitat supports the proposed legislation.

Budget Article 16, Section 6 would establish a dedicated funding stream to increase the supply of safe, healthy, and affordable homes. The creation of a dedicated funding stream for affordable housing production and redevelopment is an essential component necessary for Rhode Island to make progress on its statewide housing goals.

A Habitat acceptance letter is more than a “congratulations” to future homeowners, it represents hope for the future. “I almost burst into tears of joy and I could barely speak”, said future Habitat homeowner, Sara Ring upon receiving their acceptance letter.

Passing this bill will mean opportunity for our future homeowners like Sara and John. Sara, her husband John, and their two young children look forward to the opportunities that come with homeownership and eagerly await the day they close on their Charlestown Habitat home.

Despite all sharing a cramped 1-bedroom rental, the Rings are spending well beyond 30% of their monthly income on housing costs, leaving them cost burdened. “Although we are beyond grateful to have a place to live, because there have been times where we have been in-between and haven't had places to go, we are really looking forward to a house that is safe and stable for our children”, remarked Sara.

The rental the Ring family lives in is falling apart, with stairs literally crumbling beneath them, flaking paint, and floor stain rubbing off on their children's feet.

Habitat for Humanity makes a tremendous impact on the lives of homeowners. Our work impacts health, environmental and educational outcomes; civic and social engagement; the financial stability of Habitat families; and local economies.



Attached is an infographic that details one component of our economic impact by supporting jobs and purchasing local goods and services.

These are the many ways in which Habitat builds, we thank you for reviewing our testimony and our recommendation to support Article 16. If you have any questions, please contact us at 401-213-6711.

Regards,

A handwritten signature in blue ink, appearing to read "Colin Penney", followed by a horizontal line.

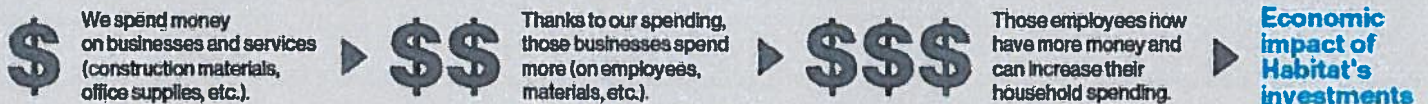
Colin Penney
Executive Director



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Beyond the house: How Habitat's investments ripple across local economies

An economic impact analysis



Our work
in 2019



\$1,182,644

invested in operations, construction, rehabilitation and renovation

Our impact
in 2019

21

jobs supported,
generating



\$879,810

in wages paid into
the local economy



\$1,826,211

economic impact
of Habitat's
investments



\$1.54

dollars injected into the economy
for every dollar invested by Habitat



\$72,020

in local and state
taxes paid



Top industries impacted:

1. Community food, housing, and other relief services
2. Construction of new single-family residential structures
3. Real estate sales and property management

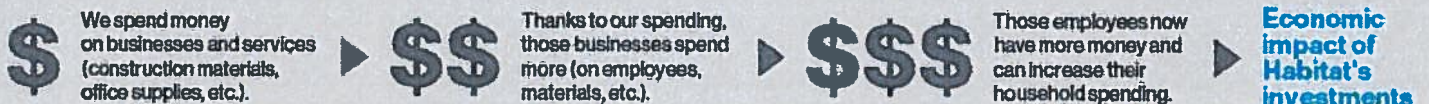
Results measure only the economic impact of affiliates as measured by affiliate expenditures on programming and operations. Additional factors contributing to economic impact (e.g., property taxes paid, homeowner spending) are not included. The economic impact was estimated using IMPLAN, an economic modeling software, based on data from affiliate financial documents.



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Re: Support for H5456 – Increasing the housing resources restricted receipts account

Dear Chairman Abney and Members of the House Committee on Finance:

South County Habitat for Humanity is a member of HomesRI, a statewide multisector effort to increase the supply of affordable homes. South County Habitat believes everyone should have access to a safe and affordable place to call home. Over the past 20 years South County Habitat has served over 110 families in Washington County through new construction, renovation of existing homes and by modifying houses of those 65 and older so they can safely age at home. Habitat supports the proposed legislation to increase the housing resources restricted receipts account.

This proposal would increase the contribution of revenue from the real estate conveyance tax to the housing resources restricted receipts account to construct and rehabilitate affordable homes, creating a dedicated funding stream to increase the supply of safe, and healthy, and affordable homes. The creation of a dedicated funding stream for affordable housing production and redevelopment is an essential component necessary for Rhode Island to make progress on its statewide housing goals.

Years of underinvesting have left us far behind our New England neighbors, who have recognized that housing is a critical economic development issue and an important social determinant of health and community wellbeing. An additional, dedicated source of funding is necessary to produce housing on the scale needed in Rhode Island. The proposed method to generate this new revenue is a sound pathway to achieving this goal as it builds on an existing source of funding that already is dedicated to housing resources (but does not include production – which is what we need). Rhode Island is the only state in the Northeast (including NJ, NY, and PA) without a dedicated funding stream that supports housing production.

Passing this bill will mean opportunity for our future homeowners like Virginia. When her family was at risk of homelessness, Virginia and her two children, 13-year-old Anthony and 8-year-old Destiny, were able to find a rental in Wakefield, RI. They are currently crammed into an apartment where Anthony and Destiny share a bedroom, the electric sockets fall out of the walls, and water leaks have left mold and damage.

Virginia is a Certified Nurse Assistant and Medtech for a local nursing home in Peace Dale. During this ongoing pandemic, Virginia is one of the millions of workers whose job cannot be done at home. She leaves her substandard housing every day to help maintain a sense of normalcy for others, leaving herself at great risk to her family.



The biggest challenge for Virginia is that "everything is so high priced, you have to work at least two jobs and then you are still barely making it. You have to pay someone to watch your kids on top of it. It is hard, very, very, hard." It is not uncommon for Virginia to work 13-14 hours per day.

Upset and tired of her housing situation, Virginia went to a bank to see if she could obtain her dream of owning a home. Like many Rhode Islanders, Virginia could qualify for a loan, but not enough to purchase a median priced home at \$347,000 in South County (*HousingWorksRI 2020 Factbook*). A recommendation from the banker led her to the Habitat for Humanity homeownership program.

We asked Virginia what she is most looking forward to in her Habitat home: "The fact of knowing it's constant stability, it's going to be ours, it's going to be something they (her children) know is going to be there for them, and it's not something that someone can take away." She explained.

What does 'home' mean to Virginia? "Comfort, security, I am most excited to show my kids their own bedrooms." she claimed, while fighting back tears.

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